

Memorandum

To: Ms. Cynthia Bridges
Executive Director (MIC 73)

Date: November 4, 2013

From: Jeffrey L. McGuire, Deputy Director
Sales and Use Tax Department (MIC 43)



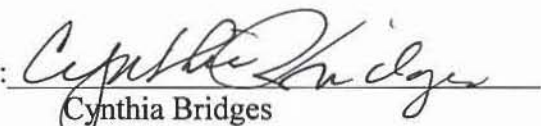
Subject: **Board Meeting November 19-20, 2013**
Item P3 - SUTD Deputy Director's Report
No Cash Policy Statewide Expansion

The Sales and Use Tax Department requests the following item(s) be placed on the Board's November 19, 2013 – November 20, 2013 Sacramento meeting calendar under "P. Other Administrative Matters."

P. Other Administrative Matters

P3. Sales and Use Tax Deputy Director Report.....Jeffrey L. McGuire

2. **No Cash Policy Statewide Expansion** – An update on the expansion of the No Cash policy parameters.

Approved: 
Cynthia Bridges
Executive Director

JLM:mwl

cc: (vie email)

Ms. Susanne Buehler (MIC 92)
Mr. Bill Hain (MIC 40)
Mr. Tom Gates (MIC 40)
Mr. Gary Lambert (MIC 43)
Mr. Brad Miller (MIC 92)
Mr. Michael Lee (MIC 92)
Ms. Marcia Zepeda (MIC 40)

Memorandum

To: Honorable Jerome E. Horton, Chairman
Honorable Michelle Steel, Vice Chair
Honorable Betty T. Yee, First District
Senator George Runner (Ret.), Second District
Honorable John Chiang, State Controller

Date: November 5, 2013

From: Jeffrey L. McGuire, Deputy Director
Sales and Use Tax Department (MIC 43)



Subject: **Board Meeting November 19-20, 2013**
Item P3 - SUTD Deputy Director's Report
No Cash Policy Statewide Expansion

As requested in the October 29, 2013 Board Meeting, the Sales and Use Tax Department has developed a consistent statewide approach for the *No Cash* policy in the district offices. This memo provides for the expansion of the policy.

The current *No Cash* policy being piloted in 12 of our 20 offices has proven to be a great success. Feedback from the pilot offices confirms that by no longer accepting cash we were able to increase customer service efficiency and reduce wait time. Not having to count cash has also made balancing and transmittal preparation much easier and efficient. The recognized time savings has allowed cashier staff and supervisors to work other priorities.

With few exceptions, taxpayers have easily adapted to the *No Cash* policy in the pilot offices. The *How Are We Doing* survey the district offices use to obtain taxpayer feedback was modified to include a question to evaluate the impact of not accepting cash payments. Of the survey respondents, 99.4 percent indicated they were satisfied with the policy of not accepting cash. The number of satisfactory survey responses increased over time indicating taxpayers have adapted to the policy.

With your approval, we plan to expand the *No Cash* policy in February 2014 to all field offices that accept payments. One month prior to implementation, offices that currently accept cash will immediately begin to inform the public that they will no longer be accepting cash by placing posters in the affected offices, posting information on the BOE website, and providing verbal guidance to taxpayers that contact district staff or the Customer Service Center.

Although the BOE provides multiple payment options for our tax and fee payers, such as obtaining a money order or cashier's check, there are a very limited number of taxpayers who can only pay with cash. To accommodate these taxpayers, the BOE will offer an exemption to the *No Cash* policy.

Taxpayers requesting an exemption will submit their request in writing along with the reason they are unable to utilize an alternative payment method to the office in which they would like to make their cash payments. The applicable office will review and approve appropriate requests. Working with the taxpayer, the office will establish a recurring schedule for cash payments. This will enable staff to ensure all cash is timely processed for the banking day.

The expansion of the *No Cash* policy to all offices will allow the taxpayers to meet their obligations while continuing to increase employee safety, decrease the risk of counterfeit currency, and reduce expenses. If you have any questions, please feel free to contact me.

JLM:mz

cc: (via email)

- Mr. Mike Gipson – 4th District
- Mr. Joel Angeles (MIC 77)
- Mr. Alan LoFaso (MIC 71)
- Ms. Maria Delgado (MIC 71)
- Mr. Sean Wallentine (MIC 78)
- Ms. Marcy Jo Mandel, State Controller's Office
- Ms. Cynthia Bridges (MIC 73)
- Mr. Randy Ferris (MIC 82)
- Mr. David Gau (MIC 63)
- Mr. Jaime Garza (MIC 86)